EXHIBIT B

From: **Tom Igoe** ▓▓▓▓▓▓▓▓▓▓
Subject: Re: Fwd: Re: [Team] Arduino royalty model
Date: December 13, 2007 at 3:22 PM
To: Gianluca Martino ▓▓▓▓▓▓▓▓▓▓▓▓▓
Cc: team@arduino.cc

I don't think there's need to define the categories so precisely.
I'd say it's more along the lines David defined earlier. I'm making
uop values here, feel free to argue other numbers:

Use of the name Arduino on a piece of hardware: ▓% of sales price
Discount for use of the name if you designed the board: ▓% of sales
price
If you designed the board and someone else manufactures it, you get:
▓% of sales price
Sales price from a distributor is not to exceed X% of distributor's
cost per unit

I don't think we can charge people for the use of the name in a
workshop unless they want support from us. For example, there are
probably half a dozen organizations and clubs and schools here in NYC
that run Arduino workshops, and would just switch hardware if we
charged them. No other product charges them for the name in a workshop.

Tom

On Dec 13, 2007, at 3:09 PM, Gianluca Martino wrote:

> Hi Guys,
>
>   I think It is time to define the fees.
>
> Should the categories be these?
> Use of name Arduino on a base board   x,xx USD
> Use of name Arduino on a wireless board y,yy USD
> Use of name Arduino on a bare PCB   z,zz USD
> Use of name Arduino in a Workshop   w.ww USD
>
>
> Or You would like to define the price/model?
> Arduino NG   x,xx USD
> Arduino Diecimila   x,xx USD
> Arduino BT   x,xx USD
> Lilypad Arduino   x,xx USD
> Bare Bone Arduino   x,xx USD
> Spark Fun Arduino   x,xx USD
> Arduino Mini   x,xx USD
> Arduino USB Ext   x,xx USD
> Arduino BT EXt   x,xx USD
> Arduino Power Ext   x,xx USD
> Freeduino   x,xx USD
> ASDF PCB   x,xx USD
> Xbee Shield   x,xx USD
> etc etc
>
>
> Please define this number soon, I've to redefine the price list to
> make an agreement with distributors to avoid to be put in outside.
>
> Ciao
>
>   Gianluca
>
> | X-IronPort-Anti-Spam-Filtered: true
> | X-IronPort-Anti-Spam-Result: AgAAADL8XkdKNXIRZ2dsb2JhbACPagoFBglHIA
> | X-IronPort-AV: E=Sophos;i="4.24,155,1196636400";
> | d="scan'208";a="453148256"
> | Date: Wed, 12 Dec 2007 00:14:51 -0500
> | From: Paul Badger ▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓▓
> | To: Daniel Jolliffe ▓▓▓▓▓▓▓▓▓▓▓▓▓▓

I see the per piece license fee as being more viable. It is going to
be something of an honor system but I think that having the whole
financial system public would tend to encourage manufacturers to play
it straight, and for users to buy from people who are contributing to
the system. It will all a bit of an experiment, but so the whole idea
of open-source hardware is anyway. I think a little nagging could go
a long way here, along with a public and transparent explanation and
accounting of the whole system.

Manufacturers should be encouraged to pay the fee at the time they
burn the boards, and to amortize the fee into their downstream
prices.

Another idea I would like to throw out is the idea of compensating
people (maybe in hardware) who contribute in major ways, to the
project. This might be done in an way that it turns out to be more of
an honor/award type of thing instead of any kind of real motivator -
such as the way the X-prize worked.

Paul

I like all these ideas except for the Freeduino conditions.

Freeduino is already released free and without restriction, so we
can't apply any to it at this point.
Anyone can make it royalty-free, so if Gianluca wants to make it for
example, more power to him!

D

On Dec 11, 2007, at 8:17 PM, Tony Kim wrote:

Some ideas:

1) Use the Arduino licensing model for using the name on official

and supported products, derivatives... without any legal or moral
implications to the original Arduino Team (i.e. Arduino by xyz,
meaning that xyz manufactured the product and xyz is responsible
for it).
2) Use the Freeduino name for products that the team and community
produce for helping others, sponsored, either for free or charging
a small price for covering the costs, labor, etc.
3) Licensing model per-unit is going to be very difficult to
implement, audit, etc. We should create some sort of licensing
model that starts at a pre-determined amount for 1st year (payable
once, twice or 4 times a year) based on current Arduino product
market size, etc... then each year it is recalculated based on some
estimation that the whole licensees and the Arduino Team calculate.

It is funny, but it looks like the Arduino name will end up being
used (licensed) by the "manufacturers" community and the Freeduino
name used by the Arduino Team, which is now a Foundation.

These are just basic ideas that came to my mind, but I consider
them valid as a starting point.

Best Regards

Tony

----- Original Message ----
From: Daniel Jolliffe ███████████████████
To: Tom Igoe <███████████████
Cc: Paul Badger <███████████████████ David A. Mellis
████████████████ team@arduino.cc; Kim Tony
████████████
Sent: Tuesday, December 11, 2007 10:36:41 PM
Subject: Re: [Team] Arduino royalty model

What if Tony, Paul and I drew up some sort of licensing proposal

for

the team to look at, would that be helpful to the process?
It would probably help us to clarify what we want from the process,
what we're willing to pay, what we'd expect etc, and it would serve
as a discussion document for the formal team to consider the
posiibilities.

D

On Dec 11, 2007, at 7:24 PM, Tom Igoe wrote:

  Agreed with everything David says. So far, all sounds good.

  t.

  On Dec 11, 2007, at 7:01 PM, paul badger wrote:

    David,

    This all seems promising.

    Paul

    _____
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    http://mail.arduino.cc/mailman/listinfo/team_arduino.cc

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